

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
MEDICAL ASSISTANCE ADMINISTRATION  
Olympia, Washington**

**To:** Pharmacists  
Managed Care Plans

**Memorandum No:** 04-64 MAA  
**Issued:** August 20, 2004

**From:** Douglas Porter, Assistant Secretary  
Medical Assistance Administration

**For More Information, call:**  
1-800-562-6188

**Subject: Prescription Drug Program: Unit Dose Reimbursement Updates**

**Effective for dates of service on and after September 1, 2004**, the Medical Assistance Administration (MAA) will implement the following changes to the Point-of-Sale (POS) system:

- POS will no longer pay a unit dose dispensing fee to non-unit dose providers; and
- POS will no longer pay a unit dose dispensing fee when a prescription is filled using drugs pre-packaged in unit dose form by the manufacturer.

### **Unit Dose Providers**

Providers who are eligible for the unit dose dispensing fee from MAA will continue to be paid at the highest allowable dispensing fee when providing unit dose delivery services to clients in nursing facilities. **[Refer to WAC 388-530-1550(3)]**

### **Non-Unit Dose Providers**

Non-unit dose providers serving clients in nursing facilities will receive the dispensing fee that is applicable to the pharmacy's total annual prescription volume tier. **[Refer to WAC 388-530-1450(5)]**

### **Pre-packaged Unit Dose**

All pharmacies dispensing drugs pre-packaged in unit dose form by the manufacturer will receive the dispensing fee applicable to the pharmacy's total annual prescription volume tier. **[Refer to WAC 388-530-1550(5)]**

### **Billing Instructions Replacement Pages**

Attached are replacement pages J.13-J.14 for MAA's Prescription Drug Program Billing Instructions, dated February 2003. To obtain MAA's numbered memoranda and billing instructions, go to MAA's website at <http://maa.dshs.wa.gov> (click on the Billing Instructions/Numbered Memoranda link).



## Emergency Kits

The *emergency kit* is a set of limited pharmaceuticals furnished to a skilled nursing facility by the pharmacy that provides prescription dispensing services to that facility. Each kit is specifically set up to meet the emergency needs of each skilled nursing facility's client population and is for use during those hours when pharmacy services are unavailable.

Medications supplied from the emergency kit are to be replaced by an equivalent amount of medications from the client's prescription by the skilled nursing facility. MAA does not reimburse for such replacements.

## Skilled Nursing Facility Unit Dose Delivery Systems

[Refer to WAC 388-530-1550]

MAA recognizes two types of **Unit Dose Delivery Systems** for skilled nursing facilities:

- **True Unit Dose Delivery System**
- **Modified Unit Dose Delivery System**

Eligible unit dose providers receive the unit dose dispensing fee when dispensing in-house unit dose prescriptions. The term *in-house unit dose* applies to bulk pharmaceutical products that are packaged by the pharmacy for unit dose delivery. Providers receive the regular pharmacy dispensing fee for drugs that are manufacturer packaged in unit dose form.

Refer to the Reimbursement Section of these billing instructions for MAA Dispensing Fee Allowances for pharmacies.

## How do pharmacies become eligible for a unit dose dispensing fee?

[Refer to WAC 388-530-1600(1)]

To be eligible for a unit dose dispensing fee from MAA, a pharmacy must:

1. Notify MAA in writing of its intent to provide unit dose service;
2. Specify the type of unit dose service to be provided;
3. Identify the nursing facility or facilities to be served;
4. Indicate the approximate date unit dose service to the facility or facilities will commence; and
5. Sign an agreement to follow department requirements for unit dose reimbursement.

## Prescription Drug Program

For information on becoming a unit dose provider, please call Provider Enrollment at (866) 545-0544 or send a written request to:

Medical Assistance Administration  
Provider Enrollment  
PO Box 45562  
Olympia, WA 98504-5562

**How do pharmacies bill MAA under a unit dose delivery system?** [Refer to WAC 388-530-1600(2), (3), and (4)]

Under a unit dose delivery system, a pharmacy must bill MAA only for the number of drug units actually used by the MAA client in the skilled nursing facility.

It is the unit dose pharmacy provider's responsibility to coordinate with the skilled nursing facilities to ensure that the unused drugs the pharmacy dispensed to the facility for distribution to an MAA client are returned to the pharmacy for credit.

The pharmacy must submit an adjustment form or claims reversal of the charge to MAA for the cost of all unused drugs returned to the pharmacy from the skilled nursing facility on or before the 60th day following the date the drug was dispensed. This adjustment must conform to the skilled nursing facility's monthly log.

### Exception:

- Unit dose providers are not required to credit MAA for federally designated schedule II drugs that are returned to the pharmacy. These returned drugs must be disposed of according to federal regulations.



### **BILLING:**

**Hard copy billers** must indicate "**In-house unit dose**" in the *Justification/Comments* field on the Pharmacy Statement [DSHS 13-714].

**Point-of-Sale billers:** Enter "3" in the *Claim Segment, Unit Dose Indicator* field.